

## About Metro Bank

Metro Bank is the revolution in British Banking. Founded in 2010, it offers retail, business, commercial and private banking services. Our stores open 7 days a week, 362 days a year, early until late and we have an award-winning app and technology.

## H1 results update

**Craig Donaldson, Chief Executive Officer at Metro Bank, said:** "This has been a challenging first half for the bank, with deposit outflows following intense speculation at the time of our capital raise in May. Despite this, we have delivered a resilient performance with both personal and business current accounts growing alongside increased revenues and fee income, with deposit growth returning to normal in June and July to date.

"We described 2019 as a year of transition for Metro Bank and management has continued its focus on our strategic initiatives, upgrading our cost savings guidance to the upper end of our original range, investing in additional fee service offerings and rebalancing our lending mix."

**Vernon Hill, Chairman and Founder at Metro Bank, added:** "As we enter our tenth year on Britain's high streets, Metro Bank continues to revolutionise the UK banking industry. We remain relentlessly focused on delivering the very best in service and convenience for our customers. Our upsized £375 million equity raise was significantly oversubscribed, showing investors' confidence in our strategy and our absolute focus on creating FANS. We will continue to strengthen our foundations as we deliver our growth plans."

## H1 results summary

		Change from H1 2018	Change from H2 2018
Assets	£21.4bn	+12%	-1%
Loans	£15.0bn	25%	+5%
Deposits	£13.7bn	-	-13%
Underlying profit before tax <sup>(1)</sup>	£13.6m	-44%	-48%
Customer Numbers	1.8 million	+392,000	+190,000

<sup>(1)</sup>Underlying profit before tax excludes Listing Share Awards, the FSCS levy, impairment and write-off of property, plant & equipment ("PPE") and intangible assets, costs relating to the RBS alternative remedies package application and transformation and remediation costs.

<sup>(2)</sup> Based on current capital requirements, excluding any confidential PRA buffer, if applicable.

## Financial Services Compensation Scheme

Eligible deposits are covered by a statutory Deposit Guarantee Scheme. If insolvency of any bank should occur, eligible deposits would be repaid up to £85,000 by the Deposit Guarantee Scheme.

This repayment covers a maximum of £85,000 per bank. This means that all eligible deposits at the same bank are added up in order to determine the coverage level. If, for instance a depositor holds a savings account with £80,000 and a current account with £20,000, he or she will only be repaid £85,000.

## Overview

- 1.8 million customer accounts
- 67 stores
- 7 new stores opening in H2 2019
- Ranked No 1 for overall quality of service to personal customers and No 2 for Business by the Competition & Markets Authority



## Financials (at 30.06.2019)

- Underlying profit before tax of £13.6m in H1 2019
- CET1 ratio of 15.8%, 16.1% pro-forma for loan portfolio sale.
- High liquidity coverage ratio of 163%.

### Balance sheet

Total assets	£21.4bn
Total loans	£15.0bn
Total deposits	£13.7bn
Loan/deposit ratio	109%

### Revenue and profit

Underlying revenue	£216.7m
Underlying profit <sup>(1)</sup>	£13.6m
Cost of deposits	0.70%
Net interest margin	1.62%

### Regulatory ratios

CET1	15.8%
Pro-forma	16.1%
Regulatory min <sup>(2)</sup>	10.6%
Leverage	7%
Liquidity coverage	163%